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MEDIA RELEASE

## **The Warehouse Group Announces Group CEO Succession Plan**

As part of The Warehouse Group's annual succession planning cycle last year, Group CEO Mark Powell indicated to the Board that he did not foresee himself continuing in the role beyond February 2016. As a result of subsequent discussion, The Warehouse Group has announced today that a formal process has been initiated to recruit a new Group CEO. This will allow up to ten months to ensure a planned and orderly succession process.

Mark has been Group CEO for over four years and has led an extensive strategic reshaping of the Group. Much has been achieved with the following particular highlights:

- The rejuvenation of the Red Sheds stores through a \$100m store refresh program and a significant improvement in the customer offer, product quality and service. This has delivered 17 quarters of sales growth.
- The implementation of the Retail Learning Pathway, the Career Retailer Wage and the Retail and Business Management degree with Massey University, which has led the way in the retail industry. This has helped make retail a more attractive career than ever before.
- Huge strides in the area of online and digital retailing, making The Warehouse Group New Zealand's leading retailer in this space.
- The turnaround and consolidation of Warehouse Stationery as a highly successful business
- The broadening of the Group's strategic options through the acquisition of Noel Leeming and Torpedo 7. Both businesses have added to the Group's strength and have an exciting future.
- The establishment of a financial services strategy that will add value across the Group in the longer term
- The creation of a customer led, people focused culture and way of working, which has resulted in industry leading team engagement and a reappraisal of the brand by our customers
- Putting the Group's Community focus, a legacy of founder Sir Stephen Tindall, right back at the heart of the Group's strategy

Mr Powell said "when I took this role I never saw myself doing it for more than the four to five years required to establish a new strategic platform and culture for the future. The last four years have been personally very fulfilling. The Group is now very different. Customers and the team have seen



the positive difference. The challenge in the next strategic cycle is to fully translate this platform into profitable growth for our shareholders in the future. I know we have the team in place to do this”

The Warehouse Group Founder and New Zealander of the Year, Sir Stephen Tindall said that "Mark has made a tremendous contribution to The Warehouse Group. His goal was to drive this phase of the strategic journey by starting with the customer and putting a real focus on people, culture and a clear way of working. This has provided the strategic path and investment required to transition the business from Red and Blue into a broader Group encompassing new businesses, including financial services. At the same time he addressed the changing market needs with online and digital demands. Mark has positioned the business well for a new leader to take the Group on the next phase of its strategic journey and drive the results from these investments."

The Warehouse Group Chair Ted Van Arkel said “I want to thank Mark for his leadership of the Group during a period of unprecedented change. Much has been achieved and I am confident that the strong base that has been built has set us up for future success. Mark’s commitment to work with us over the next ten months will ensure there is smooth leadership succession for the Group.”

When asked what he would do next year when he has finished Mark said “I have many interests outside of this role and will not be seeking another executive role. Instead I will look to apply my knowledge, skills and experience where I can to help in my areas of passion, both in the faith based not-for-profit sector and as a Professional Company Director.

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**About The Warehouse Group:** The Warehouse Group Limited comprises 92 The Warehouse stores, 79 Noel Leeming stores, 64 Warehouse Stationery stores and 10 Torpedo7 stores in New Zealand and several online retailers. In FY14 the company had a turnover of \$2.6 billion and employs over 11,500 people.

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